

August 31, 2004

HAND DELIVER

Mary L. Cottrell, Secretary
The Commonwealth of Massachusetts
Department of Telecommunications and Energy
One South Station
Boston, Massachusetts 02202

RE: The Berkshire Gas Company,
D.T.E. 04-52

Dear Secretary Cottrell:

In compliance with Chapter 164 of the General Laws and pursuant to the Department's order issued August 27, 2004 in D.T.E. 04-52 relating to the first Annual Price Cap Mechanism Plan ("PCM") filing pursuant to the performance-based rate plan approved in D.T.E. 01-56, the Company submits for filing the following revised rate schedules for gas service with an effective date of September 1, 2004, copies of which are attached:

<u>MDTE #</u>	<u>DESCRIPTION</u>
350	Residential Rate – Non Heating
351	Residential Rate – Heating
352	Residential Low Income Rate – Non Heating
353	Residential Low Income Rate – Heating
354	Gas Light Rate
355	C & I Service Rate, Low Annual Use, Low Load Factor
356	C & I Service Rate, Medium Annual Use, Low Load Factor
357	C & I Service Rate, Large Annual Use, Low Load Factor
358	C & I Service Rate, Low Annual Use, High Load Factor
359	C & I Service Rate, Medium Annual Use, High Load Factor
360	C & I Service Rate, Large Annual Use, High Load Factor
361	C & I Service Rate, Extra Large Annual Usage, High Load Factor

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Please note that the Company's proposed rates have been designed consistent with the accepted rate design principles described in the Department's January 31, 2002 decision in D.T.E. 01-56 as well as the Department's August 27, 2004 decision in D.T.E. 04-52. Specifically, the Company has adjusted all rate components by 0.66%, the amount of the overall rate adjustment established pursuant to the PCM Plan. The Company's rate design is reflected in the enclosed design summary. Also enclosed please find a check for the requisite filing fee.

Please contact me if you require further assistance with respect to this matter. Thank you for your consideration.

Very truly yours,

Karen L. Zink
President, COO and Treasurer

Attachments

cc: Kevin Brannelly, Director, Rates and Revenues Division (w/enc via hand delivery)
Jesse S. Reyes, Esq., Hearing Officer (w/8 enc via hand delivery)
Alexander J. Cochis, Esq., Assistant Attorney General (w/2 enc via hand delivery)
John J. Kruszyna, Manager of Internal Audit and Taxes (w/enc)
Jennifer M. Boucher, Rates and Planning Administrator (w/enc)
James M. Avery, Esq.

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